90-1758

No. _____

Supreme Court, U.S.
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In The

# Supreme Court of the United States

October Term, 1990

BEST BUY WAREHOUSE,

*Petitioner,*

v.

BEST BUY COMPANY, INC.,

*Respondent.*

**Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Eighth Circuit**

## PETITION FOR A WRIT OF CERTIORARI

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## QUESTION PRESENTED

Is it contrary to Rule 56, Fed. R. Civ. P. and the Seventh Amendment to the Constitution to dismiss by summary judgment a suit for infringement of a trade name on the ground the name is generic as a matter of law, when there was substantial evidence of actual confusion on file from which a jury could have found the trade name to have secondary meaning and not be generic in the trade territory involved?

## PARTIES TO THE PROCEEDING

Best Buy Warehouse, petitioner here and plaintiff-appellant below, is a division of Kansas City Stationery Company, a Missouri corporation. Respondent, Best Buy Company, Inc. was the defendant in the District Court and appellee in the Court of Appeals.

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No. _____

In The

# Supreme Court of the United States

October Term, 1991

BEST BUY WAREHOUSE,

*Petitioner,*

v.

BEST BUY COMPANY, INC.,

*Respondent.*

**Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Eighth Circuit**

## PETITION FOR A WRIT OF CERTIORARI

Petitioner, Best Buy Warehouse, respectfully prays that a Writ of Certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Eighth Circuit entered in this proceeding on December 4, 1990.

## OPINIONS BELOW

The opinion of the Court of Appeals for the Eighth Circuit is reported at 920 F.2d 536 (1990) and is reprinted

in Appendix B. The order of the Court of Appeals for the Eighth Circuit denying rehearing and rehearing *en banc* is reprinted in Appendix A. The opinion of the District Court for the Western District of Missouri is reported at 751 F. Supp. 824 (1989) and is reprinted in Appendix D. The District Court denied a motion for reconsideration, the decision of which is reported in Appendix C.

## JURISDICTION

The original judgment of the Court of Appeals for the Eighth Circuit was entered on December 4, 1990. The subsequent order of the Court of Appeals for the Eighth Circuit denying rehearing and rehearing *en banc* was entered on February 7, ~~1989~~ 1991. The jurisdiction of this court is invoked under 28 U.S.C. § 1254(1).

## SEVENTH AMENDMENT, U.S. CONSTITUTION

The Seventh Amendment to the U.S. Constitution provides:

> In suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any court of the United States, than according to the rules of the common law.

**RULE 56(c), FEDERAL RULES OF CIVIL PROCEDURE, SUMMARY JUDGMENT**

> **(c) Motion and Proceedings Thereon.** The motion shall be served at least 10 days before the time fixed for the hearing. The adverse party prior to the day of hearing may serve opposing affidavits. The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. A summary judgment, interlocutory in character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages.

## STATEMENT OF THE CASE

### 1. Introduction.

The controversy which gives rise to this petition concerns the denial, as a matter of law, of trade name rights to petitioner in the words BEST BUY as the major components of a business name in the Kansas City area. The District Court, on summary judgment, held BEST BUY to be generic (D7), despite substantial evidence of many years of prior use by petitioner and many instances of actual confusion after respondent's arrival on the scene. The Court of Appeals for the Eighth Circuit, by a divided three judge panel, affirmed the decision of the District Court

> "In our view, the opinion of the District Court is fully sufficient in its discussion of the

> legal issues in this case, and we affirm the judgment of that court on the basis of its opinion." (B2)

Senior United States District Judge McMillan of the Western District of North Carolina, sitting by designation, dissented, for the reason that whether or not BEST BUY, as used by petitioner in the Kansas City area, was generic was a fact issue which was both material and disputed by substantive evidence and thus not appropriate for disposition on summary judgment. (B4)

Petitioner's petition for rehearing and rehearing *en banc* was, as previously noted, denied.

**2. Marketplace Facts.**

Since 1977, the Robert Marshall family of Kansas City has owned and operated the petitioner business of selling office furniture and office supplies using the names BEST BUY, BEST BUY Warehouse, BEST BUY Office Furniture and BEST BUY Office Furniture Warehouse. During that time petitioner promoted BEST BUY as an identifying name and title for its business throughout the greater Kansas City area by means of a wide variety of advertising, including television, radio, newspaper, phone directories, display signs, direct mail, and point of sale materials. Further, the telephone at petitioner's place of business was answered with the words "BEST BUY".

Respondent, Best Buy Company, Inc., is headquartered in Bloomington, Minnesota and operates a chain of BEST BUY retail stores. Respondent was founded in 1966 and for many years operated under the name Sound Of

Music, Inc. In 1983 the name was changed to Best Buy Company, Inc. and the stores, none of which were at that time located in the Kansas City area, began offering a wide variety of electronic and appliance products. Respondent is a publicly held company and has been listed under the name BEST BUY on the New York Stock Exchange.

In September, 1987, despite knowledge of the extent of petitioner's prior use of BEST BUY for a retail store operation, respondent opened three BEST BUY stores in Kansas City. Consumer confusion developed immediately and has continued. The great bulk of the confusion has been in the form of telephone calls which have been received by petitioner from confused consumers. In addition, other instances have occurred, such as the delivery to petitioner of a store sign intended for respondent. Robert Marshall and his wife, Joan Marshall, owners of petitioner, provided deposition testimony and affidavits that established that such confusion immediately developed at the outset and continued unabated thereafter.

### 3. The District Court Decision, Adopted by the Court of Appeals.

The District Court found BEST BUY to be generic and incapable of "trademark protection"[1]. In reaching that conclusion, the District Court mistakenly stated that

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[1] Petitioner's claim for relief is not based on a conventional trademark use of BEST BUY. It is instead based on the use of BEST BUY as a trade name. This is of some importance

(Continued on following page)

> "Plaintiff, in opposing summary judgment in favor of defendant in this issue, submits only the opinion of its expert witness." (D6)

The District Court ignored the deposition testimony of Robert Marshall and affidavit of Joan Marshall reciting the actual confusion that existed, both of which were before the Court in the form of portions of the record relied upon by respondent, and separate submissions made by petitioner. The importance of this omission by the District Court – adopted also by the two judge majority of the Court of Appeals – is that it discarded entirely and gave no probative effect whatsoever to clear evidence of secondary meaning – otherwise, lack of genericness – which should have been weighed with all the evidence in a trial on the merits.

The defectiveness of the District Court decision was recognized by the dissenting judge in the Court of Appeals.

## REASONS FOR GRANTING THE WRIT

The District Court decided the central disputed fact issue, namely, whether BEST BUY is an unprotectible generic term which, as a matter of law, cannot serve as an identifying trade name for a store, by ignoring evidence

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(Continued from previous page)

because of the emphasis the District Court placed on what it perceived to be a failure on the part of petitioner to establish that BEST BUY could have been registered as a trademark with the United States Patent and Trademark Office. This case is not based on the trademark statutes of the United States.

before the District Court of substantial actual confusion resulting from opening and operating by respondent of a BEST BUY store in Kansas City. The decision was in clear violation of petitioner's right to a jury trial, established by the Seventh Amendment to the Constitution and of Rule 56, Federal Rules of Civil Procedure, and disregarded the holdings of controlling decisions of this Court.

The Eighth Circuit Court has sanctioned the disposition of this unfair competition case by approving a judicial disregard of evidence that in other judicial circuits is given full force and effect in deciding a fundamental issue of fact, namely, whether or not a trade name is generic.

Protection against the confusing use of commercial names is afforded upon the same basic principles as apply to trademarks in general. *Trademarks and Unfair Competition*, 2nd Edition, McCarthy, Vol. 1, Page 300; *American Steel Foundries v. Robertson*, 269 U.S. 372 (1926). Trademarks, and thus, trade names, have by case law been divided into four general categories: (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2nd Cir. 1976).

The proper inquiry into "genericness" in the context of this case is whether the trade name is a common descriptive name for business of the type conducted by petitioner and respondent. *Park 'N Fly v. Dollar Park and Fly, Inc.*, 469 U.S. 189 (1985). For the definition of the word "generic", the *Park 'N Fly* court referred to the opinion of the Court of Appeals of the Second Circuit in

*Abercrombie & Fitch Co. v. Hunting World, Inc., supra,* 537 F.2d at 9.

> The cases, and in some instances the Lanham Act, identify four different categories of terms with respect to trademark protection. Arrayed in an ascending order which roughly reflects their eligibility to trademark status and the degree of protection accorded, these classes are (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. The lines of demarcation, however, are not always bright. Moreover, the difficulties are compounded because a term that is in one category for a particular product may be in quite a different one for another, because a term may shift from one category to another in light of differences in usage through time, because a term may have one meaning to one group of users and a different one to others, and because the same term may be put to different uses with respect to a single product.

After further explanatory and legal authority discussion, the Second Circuit court concluded

> "A term may thus be generic in one market and descriptive or suggestive or fanciful in another." (537 F.2d at 10)

While involving the issue of registrability, nevertheless the opinion of the Court of Appeals for the Federal Circuit *In re Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 828 F.2d 1567, 1569 (Fed. Cir. 1987) (upholding "Cash Management Account" as a valid mark) is pertinent:

> Whether a term is classified as "generic" or as "merely descriptive" is not easy to discern when the term sits at the fuzzy boundary between these classifications. *See Zatarains, Inc. v. Oak Grove Smokehouse, Inc.*, 698 F.2d 786, 790

(5th Cir. 1983) ("[t]he labels are more advisory than definitional, more like guidelines than pigeon holes"). It is basic to the inquiry to determine whether members of the relevant public primarily use or understand the term to refer to the genus of goods or services. *H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, 782 F.2d 987, 989-90 (Fed. Cir. 1986). As the court said in *In re Automatic Radio Manufacturing Co.*, 404 F.2d 1391, 1396 (CCPA 1969)

> "It seems elementary that one must find out how people in the trade and purchasers use the terms with respect to the involved goods to determine whether or not they are descriptive."

The principal issue presented by the motion for summary judgment in this case was not whether the words BEST and BUY were in the abstract, generic. Nor was it whether the term BEST BUY as applied to a given product, as an alleged trademark for the product, was generic. Instead, the principal issue was whether, in the greater Kansas City area, in 1987, when respondent expanded the geographical reach of its BEST BUY retail electronic and appliance stores to Kansas City, BEST BUY was a generic designation for stores that merchandised such articles. This was a pure question of fact which petitioner, having had ten years of prior use of BEST BUY, was entitled to have tried to a jury.

Rule 56, Fed. R. Civ. P., permits the granting of a summary judgment only where "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." As we

have previously shown, there was a clear dispute as to the material fact of alleged genericness of BEST BUY as used by petitioner and respondent and petitioner pointed to probative evidence supporting secondary meaning. Acceptability or not of petitioner's evidence may have turned on credibility and other issues, but was not appropriate under summary judgment proceedings for disposition of those issues by the District Court.

This Court has stated:

> "Credibility determination, the weighing of evidence and the drawing of legitimate inferences from the facts are jury functions, not those of a judge, whether he is ruling on a motion for summary judgment or for a directed verdict. The evidence of the non-movant is to be believed, and all justifiable inferences are to be drawn in his favor." *Anderson v. Liberty Lobby Co., Inc.*, 477 U.S. 242, 255 (1986).

In this case the trial court has substituted its judgment for that of the jury, contrary to this Court's admonition in *Atlantic & Gulf Stevedore's, Inc. v. Ellerman Lines, Ltd.*, 369 U.S. 355, 358-9 (1962):

> "We might agree with the court of appeals had the questions of fact been left to us. But neither we nor the court of appeals can redetermine facts found by the jury any more than *the district court can predetermine them.* (Emphasis supplied.)

The District Court in this case thus invaded the province of the jury. There was clear evidence supporting an inference that BEST BUY as used by petitioner and respondent had secondary meaning in the Kansas City area, which meaning was as an identifying name for

petitioner's business. Failure of the District Court to permit petitioner to submit the issue to a jury amounted to a violation of petitioner's Seventh Amendment rights and clear proscription of the Federal Rules of Civil Procedure.

The District Court correctly noted that in the Eighth Circuit, the categorization of a particular term as (1) generic, (2) descriptive, (3) suggestive, or (4) arbitrary or fanciful is an issue of fact, citing *WSM, Inc. v. Hilton,* 724 F.2d 1320, 1325 (8th Cir. 1984). However, it decided that petitioner's name was generic as a matter of law, giving no effect to the evidence of actual confusion.

Courts other than the Federal Circuit Court of Appeals (See *Merrill Lynch, et al., supra*) have observed that if there is some customer confusion in fact, then it follows that there must also be some secondary meaning. *Union Carbide Corp. v. Ever-Ready, Inc.,* 531 F.2d 366 (7th Cir. 1976) *cert. den.* 429 U.S. 830; *Interpace Corp. v. Lapp,* 721 F.2d 460, 463 (3rd Cir. 1983). Secondary meaning is wholly inconsistent with "generic".

## CONCLUSION

The disregard of the evidence of actual confusion places the Eighth Circuit in clear conflict with courts of appeals of other circuits, and so far sanctions a departure by a lower court from the accepted and usual course of judicial proceedings, as to call for an exercise of this court's power of supervision.

The petition for a writ of certiorari should be granted.

Respectfully submitted,

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*Attorneys for Plaintiff*

UNITED STATES COURT OF APPEALS
FOR THE EIGHTH CIRCUIT

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|---|---|
| No. 90-1089WM | * Order Denying |
| Best Buy Warehouse, | * Petition for |
| Appellant, | * Rehearing and |
| | * Suggestion |
| vs. | * for Rehearing |
| | * En banc. |
| Best Buy Co., Inc., | * |
| | * |
| Appellee. | * |

Appellant's suggestion for rehearing en banc has been considered by the court and is denied by reason of the lack of a majority of the active judges voting to rehear the case en banc.

Petition for rehearing by the panel is also denied. Judge James B. McMillan, Senior United States District Judge for the Western District of North Carolina, sitting by special designation, voted to grant the petition.

February 7, 1991

ORDER ENTERED AT THE DIRECTION OF THE COURT

/s/ Robert D. St. Vrain.

CLERK, U.S. COURT OF APPEALS, EIGHTH CIRCUIT

UNITED STATES COURT OF APPEALS
FOR THE EIGHTH CIRCUIT

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No. 90-1089WM

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| | |
|---|---|
| Best Buy Warehouse,<br>Appellant,<br>v.<br>Best Buy Company, Inc.,<br>Appellee. | * On Appeal from<br>* the United States<br>* District Court<br>* for the Western<br>* District of<br>* Missouri.<br>*<br>* [TO BE<br>* PUBLISHED] |

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Submitted: October 11, 1990

Filed: December 4, 1990

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Before ARNOLD and FAGG, Circuit Judges, and McMILLAN,* Senior District Judge.

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PER CURIAM.

This is a trademark-infringement case. The plaintiff operates under the names "Best Buy Warehouse," "Best Buy Office Furniture," and "Best Buy Office Warehouse."

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* The Hon. James B. McMillan, Senior United States District Judge for the Western District of North Carolina, sitting by designation.

The defendant operates under the names "Best Buy Company" and "Best Buy Superstores." The question presented is whether the plaintiff has a legally protectable interest in the use of the words "besy buy."

The District Court[1] held that the phrase "best buy" is generic as a matter of law, and therefore not the subject of trademark protection. It granted summary judgment for defendant, and the plaintiff appeals.

We affirm. In our view, the opinion of the District Court is fully sufficient in its discussion of the legal issues in this case, and we affirm the judgment of that court on the basis of its opinion. See 8th Cir. R. 47B.

McMILLAN, Senior District Judge, dissenting.

The district court held that the phrase "Best Buy" was generic as a matter of law. "In order to be generic, however (as the word implies), the word in question must serve to denominate a type, a kind, a genus or a subcategory of goods." *Henri's Food Products v. Tasty Snacks*, 817 F.2d 1303, 1304 (7th Cir. 1987). In *Henri's*, the court held that the term "tasty," or its phonetic equivalent, was not generic, but "merely descriptive."

Descriptive terms, unlike generic terms, can acquire trademark protection based on "secondary meaning." *Id.* at 1306-07. Secondary meaning refers to a mark that "has

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[1] The Hon. Scott O. Wright, United States District Judge for the Western District of Missouri.

become distinctive of the applicant's goods in commerce," *id.* at 1306, i.e., to a mark that consumers associate with a producer or distributor rather than with the product itself.

As evidence that a mark has acquired secondary meaning, courts will accept direct evidence of customer confusion, or, because direct evidence may be difficult to find, evidence from consumer surveys showing a likelihood of confusion. *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 382 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976).

The appellant relies upon the Affidavit of Robert Marshall as evidence of actual confusion. This evidence alone, I believe, creates a material issue of fact as to whether "Best Buy" has acquired a secondary meaning in greater Kansas City that merits trademark protection.

In addition, the appellant (on appeal and in its motion for reconsideration) points to a survey conducted by the appellee as evidence that a potential for confusion existed. In that survey, 215 of 301 people surveyed associated the name "Best Buy" with a retail store in the Kansas City area. Of 301 people surveyed, 135 indicated that they expected stores with the names "Best Buy Office Furniture," "Best Buy Superstores," "Best Buy Motors," and "Best Buy Warehouse" to be associated in some way. Some 119 of those 135 people expected the association because of the inclusion of the words "Best Buy" in the names.

Appellant sent the survey results to its expert, who concluded, on December 5, 1989 (after defendants had been granted summary judgment) that:

> there exists a substantial likelihood of confusion between Plaintiff's use of the names Best Buy Warehouse or Best Buy Office Furniture, and Defendant's use of the names [sic] Best Buy Superstores.

The above direct evidence of actual confusion and survey evidence of the likelihood of confusion creates a material issue of fact as to whether or not "Best Buy" has acquired a secondary meaning in greater Kansas City that merits trademark protection.

Because I believe that the phrase "Best Buy" is descriptive rather than generic, and that a material issue of fact exists as to whether the phrase "Best Buy" has acquired a secondary meaning in the greater Kansas City area that merits trademark protection, I respectfully dissent.

A true copy.

Attest:

CLERK, U.S. COURT OF APPEALS, EIGHTH CIRCUIT.

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF
MISSOURI WESTERN DIVISION

| | | |
|---|---|---|
| BEST BUY WAREHOUSE, Plaintiff, | ) | No. 88-1201-CV-W-5 |
| vs. | ) | |
| BEST BUY CO., INC., Defendant. | ) | Filed JAN 04 1990 |

ORDER

Before this Court is plaintiff's motion for reconsideration of this Court's order of November 27, 1989, granting defendant's motion for summary judgment on the ground that the term "Best Buy" is generic and not capable of trademark protection. Finding that plaintiff's motion presents no cause for a redetermination of this Court's November 27, 1989 order in the above-styled case, it is hereby

ORDERED that plaintiff's motion for reconsideration is denied.

/s/ Scott O. Wright
SCOTT O. WRIGHT
United States District Judge

January 4, 1990.

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF
MISSOURI WESTERN DIVISION

| | | |
|---|---|---|
| BEST BUY WAREHOUSE, Plaintiff, | ) | No. 88-1201-CV-W-5 |
| vs. | ) | |
| BEST BUY CO., INC. Defendant. | ) | Filed NOV 27 1989 |

ORDER

Before this Court is defendant's motion for summary judgment on all counts of plaintiff's complaint. Plaintiff alleges trademark infringement, false designation of origin, unfair competition, trademark dilution, and trademark disparagement. The gravamen of plaintiff's complaint is the use of "best buy" by defendant where prior to defendant's presence in the Kansas City, Missouri, area plaintiff already was doing business under the "best buy" name. Finding that "best buy" is generic and not due trademark protection, defendant's motion for summary judgment will be granted.

Facts

Because this Court grants defendant's motion for summary judgment on the basis that "best buy" is generic, the material facts are few. Plaintiff operates under the names "Best Buy Warehouse," "Best Buy Office Furniture," and "Best Buy Office Warehouse." Defendant operates under the names "Best Buy Co." and "Best Buy Superstores." The words "best buy" are used in the names of well over two hundred businesses across the

nation. The State of Missouri itself has at least twenty-one retail businesses using the words "best buy" in their business names. In addition to plaintiff's and defendant's business, Kansas City, Missouri, also has a "Best Buy Motors."

The terms "best" and "buy" are both defined in Webster's Dictionary. "Best" is defined as "1. Exceeding all others in excellence, achievement, or quality: most excellent. 2. Most satisfactory, suitable, or useful: most desirable. 3. Greatest: largest." Webster's II New Riverside University Dictionary, 1984. "Buy" is defined as: "1. To acquire in exchange for money or its equivalent. 2. To be capable of purchasing. 3. To acquire by sacrifice, exchange or trade." *Id.*

In August, 1984, defendant applied with the United States Commissioner of Patents and Trademarks for the registration of the service mark "Best Buy Co." This application was refused on the grounds that it was generic, merely descriptive and "mere trade puffery to the effect that those who shop at applicant's stores will obtain the 'best buy' for the money." A later attempt by defendant to register "Best Buy Superstores" was refused on the same grounds.

Defendant also offers for support of its motion for summary judgment the expert testimony of Attorney Malcolm A. Litman. Mr. Litman has practiced exclusively in the area of intellectual property laws, particularly patent, trademark, copyright and unfair competition since 1959. During 1958, Mr. Litman was licensed to practice as an attorney before the United States Patent and Trademark Office. By affidavit, Mr. Litman states that the term

"Best Buy" is generic when used in association with the sale of goods to the general public.

Defendant provides the results of a consumer survey done in the Kansas City, Missouri, area by Marketeam Associates, an independent marketing research firm located in St. Louis, Missouri. The results of the survey show that "there is little if any consumer awareness of the term 'best buy' in reference to piaintiff's business."

Defendant has also provided examples of the term "best buy" being used in the advertisements of other area retailers, including businesses that compete directly with plaintiff's office furniture retail business. "Best buy" is used in these advertisements to indicate items as exceptionally good purchases.

Plaintiff, in opposition to defendant's motion for summary judgment, submits a portion of the deposition transcript of plaintiff's expert witness, Thomas Marsh Scofield. Mr. Scofield states that in his opinion "best" and "buy" may be more than merely descriptive terms under certain conditions, such as when used in combination with other terms.

**Standard for Summary Judgment**

Fed. R. Civ. P. 56(c) requires "the entry of summary judgment . . . against a party who fails to make a showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 106 S.Ct. 2548, 2552-53 (1986), The burden on the party moving for summary judgment "is only to

demonstrate . . . that the record does not disclose a genuine dispute on a material fact." *City of Mt. Pleasant, Iowa v. Associated Elec. Co-op.*, 838 F.2d 268, 273 (8th Cir. 1988).

Once the moving party has done so, the burden shifts to the non-moving party to go beyond his pleadings and by affidavit or by "depositions, answers to interrogatories, and admissions on file" show that there is a genuine issue of fact to be resolved at trial. *Celotex*, 477 U.S. at 323, 106 S.Ct. at 2553. Evidence of a disputed factual issue which is merely colorable or not significantly probative, however, will not prevent entry of summary judgment. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248, 106 S.Ct. 2505, 2511 (1986).

In ruling on a motion for summary judgment, this Court must view all facts in a light most favorable to the non-moving party, and that party must receive the benefit of all reasonable inferences drawn from the facts. *Robinson v. Monaghan*, 864 F.2d 622, 624 (8th Cir. 1989). If "there is no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law," this Court must grant summary judgment. Fed. R. Civ. P. 56(c).

**Analysis**

In determining whether a term is capable of receiving trademark protection, this Court first must determine in which of four categories the term falls: (1) generic, (2) descriptive, (3) suggestive, or (4) arbitrary or fanciful. *WSM, Inc. v. Hilton*, 724 F.2d 1320, 1325 (8th Cir. 1984).

The categorization of a particular term is an issue of fact. *WSM, Inc.*, 724 F.2d at 1326.

The test for deciding whether a work is generic is one of buyer understanding: "What do the buyers understand by the word for whose use the parties are contending?" *WSM, Inc.*, 724 F.2d at 1325. Any competent source, including dictionaries, newspapers, consumer surveys, advertisements, and other publications, may provide evidence of the public's understanding of the term at issue. *In re Northland Aluminum Products, Inc.*, 777 F.2d 1556, 1559 (Fed. Cir. 1985).

As noted above, both "best" and "buy" are found and defined in Webster's dictionary. "Best" is defined as that which is most excellent. "Buy" means to purchase. Neither term has a special or peculiar meaning when used in retail sales. Nor does the use of these words together change their generic quality. "[I]f the components of a trade name are common descriptive terms, a combination of such terms retains that quality." *National Conference of Bar Examiners v. Multistate Legal Studies, Inc.*, 692 F.2d 478, 488 (7th Cir. 1982); *In re Gould Paper Corp.*, 834 F.2d 1017, 1018 (Fed. Cir. 1987).

That numerous advertisements by various businesses in the Kansas City, Missouri, area utilize the term "best buy" further evidences the fact that "best buy" is generic. Advertisers use "best buy" to describe to the public those items deemed by the retailers to be the most excellent purchase available. There is no evidence before this Court indicating that the buying public associates "best buy" with anything other than sales "puffing" in the area of retail sales. Moreover, defendant has presented survey

evidence that "best buy" is not associated by consumers in the Kansas City area with plaintiff's particular business or the products he sells.

Additionally, defendant has presented evidence that hundreds of businesses across the United States use the term "best buy" in the names of their businesses. A search of the case law indicates that none of these businesses have ever succeeded in obtaining trademark protection for the term "best buy."

Compounding the above fact, an expert patent attorney and the United States Patent Office have concluded that "best buy" cannot be accorded trademark protection. While such opinions are not determinative, they do bolster defendant's contention that the general buying public understands "best buy" to merely describe a general retail practice of touting particular products.

Plaintiff, in opposing summary judgment in favor of defendant on this issue, submits only the opinion of its expert witness. Plaintiff's expert witness states that "best" and "buy" may be more than merely common descriptive terms when used in combination with other words. He does not state, however, what specific combination of words including "best" or "buy" would, in his opinion, be capable of receiving trademark protection. Moreover, it is clear from this witness' deposition transcript that the witness was under the mistaken assumption that defendant had received federal trademark registration on "best buy" and that this assumption influenced his opinion. The federal patent and trademark office has in fact twice refused to register "best buy" as a protected trademark. Plaintiff's evidence in opposition to

summary judgment on this issue is not significantly probative of the fact that "best buy" anything other than a generic phrase; such evidence will not prevent the grant of summary judgment. *Anderson*, 477 U.S. at 248, 106 S.Ct. at 2511.

Based on the above facts, this Court concludes that "best buy" is in fact a generic term not capable of being usurped to defendant's exclusive use. *WSM, Inc.*, 724 F.2d at 1327. For this reason, it is hereby

ORDERED that defendant's motion for summary judgment on all counts is granted in that "best buy" is a generic term not capable of receiving trademark protection.

/s/ Scott O. Wright
SCOTT O. WRIGHT
United States District Judge

November 27, 1989

Supreme Court, U.S.
FILED
JUN 5 1991
OFFICE OF THE CLERK

No. 90-1758

In The

# Supreme Court of the United States

October Term, 1990

BEST BUY WAREHOUSE,

*Petitioner,*

vs.

BEST BUY COMPANY, INC.,

*Respondent.*

**Petition For Writ Of Certiorari**
**To The United States Court Of Appeals**
**For The Eighth Circuit**

## RESPONDENT'S BRIEF IN OPPOSITION

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## MEMORANDUM OPPOSING CERTIORARI

Respondent Best Buy Co., Inc. ("Respondent") respectfully requests this Court deny the Petition of Best Buy Warehouse ("Petitioner") for a Writ of Certiorari.

Petitioner's request to this Court for certiorari presents no special or important reasons as to why the writ should be granted.

Petitioner cannot successfully argue that the decision of the Court of Appeals conflicts with any decisions of other courts of appeal or of this Court. Indeed, Petitioner offers no authority for such a proposition. *See* Sup. Ct. R. 10.1(a).[1]

Nor can Petitioner successfully argue that the Seventh Amendment to the Constitution is in any way impacted by the summary judgment granted to Respondent.[2] The trial court and Court of Appeals determined that Petitioner did not come forward with evidence under Rule 56 of the Federal Rules of Civil Procedure to rebut

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[1] Notwithstanding Petitioner's unsupported claim that the Eighth Circuit Court has disregarded other circuits' views of genericism, no amount of acquired distinctiveness (secondary meaning) can convert a generic name into a trademark. *See Nat'l Conference of Bar Examiners v. Multi-State Legal Studies, Inc.*, 692 F.2d 478, 487 (7th Cir. 1982), *cert. denied, Multi-State Legal Studies, Inc. v. Ladd*, 464 U.S. 814, 104 S. Ct. 69, 78 L.Ed.2d 83 (1983); *C.E.S. Publishing Corp. v. St. Regis Publications, Inc.*, 531 F.2d 11, 13 (2d Cir. 1975).

[2] Petitioner has not previously argued or raised its argument regarding the Seventh Amendment to the Constitution.

the showing that the term "Best Buy" was generic and not capable of trademark protection.[3]

Finally, the Petition does not present any important, novel or unsettled question of law. *See* Sup. Ct. R. 10(c). As this Court has noted on other occasions:

> . . . It is very important that we be consistent in not granting the writ of certiorari except in cases involving principles, the settlement of which is of importance to the public as distinguished from that of the parties, and in cases where there is a real and embarrassing conflict of opinion and authority between the circuit courts of appeal.

*Layne & Bowler Corp. v. Western Well Works, Inc.*, 261 U.S. 387, 393 (1923); *Rice v. Sioux City Memorial Park Cemetery, Inc.*, 349 U.S. 70, 79 (1955). In short, Petitioner is simply asking this Court to disagree with the conclusions reached by the District Court and Court of Appeals after their review of the entire record.

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[3] Petitioner now argues that its case is not based on the trademark statutes of the United States. However, Petitioner, which is bound by its Complaint, specifically sought relief in its Complaint for alleged violation of its "trademark" under the trademark statutes of the United States. Petitioner has not previously raised such argument.

## CONCLUSION

For the foregoing reasons, the Petition should be denied.

Dated this 3rd day of June, 1991.

Respectfully submitted,

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